

Department of the Navy  
Operation and Maintenance, Marine Corps  
1A3A Depot Maintenance  
FY 2005 President's Budget Submission  
Exhibit OP-5

**I. Description of Operations Financed:**

This sub-activity group funds the depot maintenance (major repair/rebuild) of active Marine Corps ground equipment. Repair/rebuild is accomplished on a scheduled basis to maintain the materiel readiness of the equipment inventory necessary to support the operational needs of the Fleet Marine Forces. Items programmed for repair are screened to ensure that a valid stock requirement exists and that the repair or rebuild of the equipment is the most cost effective means of satisfying the requirement. This program is closely coordinated with the Procurement, Marine Corps appropriation to ensure that the combined repair/procurement program provides a balanced level of attainment of inventory objectives for major equipment. Thus, the specified items to be rebuilt, both principal end items and components, are determined by a process which utilizes cost-benefit considerations as a prime factor. The rebuild costs for each item are updated annually on the basis of current applicable cost factors at the performing activities.

**II. Force Structure Summary:**

This sub-activity group supports the entire depot maintenance requirement for the active Marine forces. Depot level repair/rebuild requirements for Fleet Marine Force units, Maritime Prepositioning assets aboard ships, and recruit and training units are satisfied under this sub-activity group.

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**III. Financial Summary (\$ in Thousands):**

**A. Sub-Activity Group Total**

			FY 2004		
	FY 2003	Budget		Current	FY 2005
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
	248,856	101,439	105,163	104,163	102,085

**B. Reconciliation Summary**

	<b>Change</b>	<b>Change</b>
	<b><u>FY 2004/2004</u></b>	<b><u>FY 2004/2005</u></b>
Baseline Funding	101,439	104,163
Congressional Adjustments – Distributed	0	0
Congressional Adjustments - Undistributed	0	0
Adjustments to Meet Congressional Intent	4,300	0
Congressional Adjustments - General Provisions	-576	0
Subtotal Appropriation Amount	105,163	0
Across-the-board Reduction (Rescission)	0	0
Emergency Supplemental Appropriations Act	71,000	0
Program Changes (Current Year to Current Year)	-1,000	0
Subtotal Baseline Funding	175,163	0
Less Emergency Supplemental Funding	-71,000	0
Reprogrammings	0	0
Price Change	0	-2,458
Functional Transfers	0	0
Program Changes	0	380
Normalized Current Estimate	104,163	0
Current Estimate	0	102,085

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**C. Reconciliation of Increases and Decreases**

<b>1. FY 2004 President Budget Request.</b>		<b>101,439</b>
<b>2. Adjustments to Meet Congressional Intent.</b>		<b>4,300</b>
a) Maintenance of Radar Systems	4,300	
<b>3. Congressional Adjustment (General Provision).</b>		<b>-576</b>
a) Sec. 8126: Efficiencies/Revised Econ. Assumptions	-576	
<b>4. FY 2004 Appropriated Amount.</b>		<b>105,163</b>
<b>5. FY 2004 Emergency Supplemental Appropriations Act (P.L. 108-106).</b>		<b>71,000</b>
a) Supplemental funding for continuing operations in support of the Global War on Terrorism.	71,000	
<b>6. Program Decreases FY 2004 (Emergent Requirements).</b>		<b>-1,000</b>
a) Decrease to Management Reserve account to comply with Congressional direction.	-1,000	
<b>7. Baseline Funding (subtotal).</b>		<b>175,163</b>
<b>8. Revised FY 2004 Current Estimate.</b>		<b>175,163</b>
<b>9. Less: Emergency Supplemental Funding.</b>		<b>-71,000</b>
a) Supplemental funding for continuing operations in support of the Global War on Terrorism.	-71,000	
<b>10. Normalized Current Estimate for FY 2004.</b>		<b>104,163</b>
<b>11. FY 2005 Price Change.</b>		<b>-2,458</b>
<b>12. Program Growth in FY 2005.</b>		<b>7,123</b>
a) Increase associated with maintenance for Ordnance Equipment.	3,653	
b) Increase associated with maintenance for Combat Vehicles.	3,470	
<b>13. Program Decrease in FY 2005.</b>		<b>-6,743</b>
a) Decrease associated with maintenance for Missiles.	-226	
b) Decrease associated with maintenance for Other End Items.	-6,517	
<b>14. FY 2005 Budget Request.</b>		<b>102,085</b>

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**IV. Performance Criteria and Evaluation Summary :**

<b>Activity:</b> Depot Maintenance
<b>Activity Goal:</b> To provide maintenance necessary to sustain the operational readiness of combat forces, to ensure the safe and efficient operation of weapon systems, to renovate assets (Recapitalization), and to ensure equipment is at or above fully mission capable standards prior to any transfers from the Active to Reserve Components.
<b>Description of Activity:</b> Depot Maintenance programs fund the overhaul, repair, and maintenance of aircraft, missiles, ships, combat vehicles and other equipment. Depot Maintenance is performed at both public (DoD) and private (contractor) facilities.
<b>Categories:</b> Commodity totals show the total depot maintenance dollars and quantities budgeted in support of the Marine Corps total Depot Maintenance program. These amounts equal amounts shown in the OP-30 by commodity total and for the total Depot Maintenance Program. *Memo entry detail is provided for major items of interest that are tracked during execution. The memo entries will be a substantial, but not total, listing of the activity in the overall category.

	Prior Year (FY 2003)						Current Year (FY 2004)					Budget Year (FY 05)		Budget Year (FY n/a)	
	Budget Qty	Budget \$	Actual Inductions Qty	Actual Inductions \$	Completions Prior Yr	Completions Cur Yr	Budget Qty	Budget \$	Estimated Inductions Qty	Estimated Inductions \$	Carry-In Qty	Budget Qty	Budget \$	Budget Qty	Budget \$
<b>Type of Maintenance</b>															
<b>COMBAT VEHICLES</b>	188	87,502	359	174,461			52	22,076	52	22,076		53	24,994	0	0
*M1A1 Tank	44	40,962	68	55,685	0	16	1	1,198	1	1,198	52	4	4,848	0	0
*LAV Light Assault	70	27,738	92	39,003	0	47	23	9,879	23	9,879	45	30	13,041	0	0
<b>MISSILES</b>	2	3,368	99	3,484			96	405	108	497		73	259	0	0
*TOW & Stinger	1	2,210	1	1,941	0	1	0	0	0	0	0	0	0	0	0
<b>ORDNANCE</b>	841	2,331	20,319	15,081			741	3,816	743	3,865		2,141	7,421	0	0
*Browning .50 Cal MG	164	732	172	645	0	164	108	416	108	416	8	593	2,313	0	0
*Squad Automatic Weapon	542	1,009	542	1,384	0	0	200	398	200	398	542	1,311	2,654	0	0
<b>OTHER</b>	610	47,953	2,105	55,830			692	75,142	679	77,725		598	69,411	0	0
*Power Unit, 12 1/2T, 4X4	165	27,643	142	18,399	0	118	201	38,815	201	38,815	24	201	39,393		
*Ribbon Bridge Trailer	0	0	14	1,230	0	0	35	5,350	35	5,350	14	29	4,486	0	0
<b>DEPOT MAINTENANCE TOTAL</b>	1,641	141,154	22,882	248,856			1,581	101,439	1,582	104,163		2,865	102,085	0	0

**Explanation of Performance Variances:**

**Prior Year:** FY 2003 budgeted figures were based on the tempo at the time. The actual FY 2003 shows a significant increase over budgeted due to the warfighting effort (and \$108M associated Supplemental funding) that took place in FY 2003. Supplemental dollars that were received due to contingency operations afforded the ability to increase the Depot Maintenance production to better support the Marines in the field.

**Current Year:** There is only minor change between the quantities and funds budgeted and estimated in FY 2004. These changes are largely due to the \$4.3M Congressional plus-up, which Marine Corps Logistics Command has directed towards Radar Maintenance.

**Instructions and Definitions**

<b>Exhibit Scope:</b> Report detailed information only on major end items of equipment. Use the other category for minor items. Fill in only the area for funding for the other category.
<b>Definitions:</b> <b>Budget Qty (Columns B, H, M and O):</b> The quantities contained in the President's budget submission for the fiscal year indicated. (i.e. info for the PY will be from the FY PY Budget submission). <b>Budget \$ (Columns C, I, N and P):</b> The funding requested in the President's Budget submission for the fiscal year indicated (i.e. info for the PY will be from the FY PY President's Budget). <b>Actual Inductions Qty (Column D):</b> The number of units actually funded for induction during the PY. <b>Actual Inductions \$ (Column E):</b> The cost of the items contained in Column D. <b>Completions Prior Year (Column F):</b> Items completed during FY PY that were funded in a previous fiscal year. <b>Completions Current Year (Column G):</b> Items in Column D that were completed during the PY. <b>Estimated Inductions Qty (Column J):</b> Revised CY quantity estimate. <b>Estimated Inductions \$ (Column K):</b> The cost of the items contained in Column J. <b>Carry-In QTY (Column L):</b> The number of items funded in prior years that have not been delivered.

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**V. Personnel Summary :**

<b>End Strength</b>	<b>FY 2003 ES</b>	<b>FY 2004 ES</b>	<b>Change FY 2004 to FY 2005</b>	<b>FY 2005 ES</b>
TOTAL CIVPERS	0	0	0	0
Enlisted (USMC)	30	30	0	30
Officers (USMC)	23	23	0	23
TOTAL MILPERS	53	53	0	53

  

<b>Workyears</b>	<b>FY 2003 WY</b>	<b>FY 2004 WY</b>	<b>Change FY 2004 to FY 2005</b>	<b>FY 2005 WY</b>
TOTAL CIVPERS	0	0	0	0
Enlisted (USMC)	30	30	0	30
Officers (USMC)	23	23	0	23
TOTAL MILPERS	53	53	0	53

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**VI. Summary of Price and Program Growth (OP-32):**

	<b>FY-03 Program Total</b>	<b>FY-04 Price Growth</b>	<b>FY-04 Program Growth</b>	<b>FY-04 Program Total</b>	<b>FY-05 Price Growth</b>	<b>FY-05 Program Growth</b>	<b>FY-05 Program Total</b>
1A3A							
03 Travel							
0308 Travel of Persons	442	6	-448	0	0	0	0
TOTAL 03 Travel	442	6	-448	0	0	0	0
04 WCF Supplies & Materials Purchases							
0401 DFSC Fuel	17	3	-20	0	0	0	0
TOTAL 04 WCF Supplies & Materials Purchases	17	3	-20	0	0	0	0
06 Other WCF Purchases (Excl Transportation)							
0602 Army Depot Sys Cmd-Maintenance	63,711	5,288	-66,799	2,200	33	-2,042	191
0640 Depot Maintenance Marine Corps	184,686	13,667	-97,864	100,489	-2,512	3,917	101,894
TOTAL 06 Other WCF Purchases (Excl Transportation)	248,397	18,955	-164,663	102,689	-2,479	1,875	102,085
09 OTHER PURCHASES							
0930 Other Depot Maintenance (Non WCF)	0	0	1,474	1,474	21	-1,495	0
TOTAL 09 OTHER PURCHASES	0	0	1,474	1,474	21	-1,495	0
Total 1A3A Depot Maintenance	248,856	18,964	-163,657	104,163	-2,458	380	102,085